

Hong Kong Customs presses first charge for gold trading money laundering activities

Hong Kong Customs today (February 18) laid a charge under the Organized and Serious Crimes Ordinance (OSCO) against a 33-year-old man with two counts of "dealing with property known or reasonably believed to represent proceeds of an indictable offence" (commonly known as money laundering). This is the first time for Customs to lay a charge under the OSCO against a person suspected of engaging in money laundering activities through dealing with proceeds of gold trading.

The man was suspected of setting up two companies in 2016 and used the companies' bank accounts to process a total of about \$340 million of suspected crime proceeds through selling gold slabs of unknown sources.

After investigation, the Syndicate Crimes Investigation Bureau of Customs arrested him in December 2017.

The case will be mentioned at Fanling Magistrates' Courts on February 23.

Customs will continue to follow up on relevant money laundering activities. The likelihood of further arrests is not excluded if someone is suspected to have committed relevant crimes.

Under the OSCO, a person commits an offence if he or she deals with any property knowing or having reasonable grounds to believe that such property in whole or in part directly or indirectly represents any person's proceeds of an indictable offence. The maximum penalty upon conviction is a fine of \$5 million and imprisonment for 14 years while the crime proceeds are also subject to confiscation.

Members of the public may report any suspected money laundering activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).